

AN ETC RESEARCH REPORT
CRITICAL TRENDS IN
TRAINING AND DEVELOPMENT

JANUARY 2002

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INTRODUCTION

Due to a number of factors – increased globalization, a 24/7 business world, the instantaneous environment of the Internet Economy and the transient nature of the employee market - there is the emergence of a drastically new and different labor market than seen in past history. Add to that the current, official recession and the post 9/11 world in which all businesses live and operate, and there is a unique business environment currently facing corporate America.

In conjunction with the changes taking hold in the general labor market due to the economy, the rapidly changing marketplace and the new post-September 11 world, there are a number of defining beliefs, behaviors and philosophies shaping the workplace as we now know it.

A new economy and changes in the workplace give rise to a new type of leadership needed to guide organizations into the future and uncertain world. Our research shows that there is a potential leadership crisis that is occurring because companies have forgotten the very basic tenets of what makes an effective leader and what is really needed from leadership.

The research contained within this report is designed to provide executives with insight into the issues shaping the business landscape. The research also addresses training and development solutions that can assist companies as they maneuver through the changing business environment.

THE RESEARCH STUDY

The research methodology was based on a combination of secondary and primary tools. The first step was to identify defining trends and emerging shift in thinking that were impacting not only training and development, but the business world as a whole.

The next step was to identify industry leaders and conduct one-on-one telephone interviews with these identified parties. Over the course of several months, we spoke intimately with over twenty-five professionals concentrated in the Southeast region. These professionals represented the following business segments: education, financial services, government, small business and technology.

The focus of the study was to identify critical trends shaping company challenges and dictating the needs for training and development landscape.

CRITICAL TRENDS

Lifelong Learning

In the knowledge-based economy it's becoming increasingly important for all employees to guide an organization's future. Leadership is being allowed to blossom more fully at companies at all levels. The notion of leadership being synonymous with authority is a dying concept. Companies are becoming increasingly aware that it's those companies with successful training and development programs that are ahead of the curve. Companies now believe that the basic tenets of leadership, such as self-awareness and the ability to influence others are easily taught.

The New Paradigm of Organizational Behaviors

Organizational effectiveness is not process driven – it's communications driven. The marketplace is embracing the concept of a shift in organizational effectiveness from process and systems to the art of communication. Listening, facilitating dialogue and discussion and assisting collaborative decision making to take place are the elements of a successful enterprise.

Sense of purpose/spirituality/meaning in the workplace

Employees continue to seek out a greater purpose and meaning from their jobs, their careers as a whole and from their employers as a company. This trend was already taking place pre-September 11 and has only gotten stronger in the post-September 11 environment. As a result, the major challenge for CEOs over the next 20 years will be the effective deployment of human assets. That's not about building a culture or about organizational development, it's about the psychology of being able to get one individual to be more focused, more productive and more fulfilled. Research shows that the single most important determinant of individual performance is a person's relationship with his or her immediate manager. Without a robust relationship with a manager who sets clear expectations and communicates goals and results, workers are not feeling the sense of purpose and meaning that they are looking for. So in fact, the quest for purpose and meaning is really the desire for solid interpersonal communication in their day-to-day working life.

Teams/Organized Networks are the Future

Team impact, team thinking, team learning – all are replacing the concept of individualism in the workplace. Organized networks have the ability to adapt quicker and act quicker. Groups of people working together will be the critical element in future enterprises. Organizational cultures will need mechanisms to support group networks. The workplace will be organized around networks, partnerships, alliances

and not hierarchies. Hierarchies make communication easier and linear. But for networks to be effective, communication skills need to be more advanced and developed. It's not enough to have the top level have the ability to communicate effectively. Advanced communication skills need to be present throughout the team.

Authentic Leadership – The Art of Listening

Authentic leadership is based on the ability to listen and it will propel successful companies into the future. The number one, most important leadership quality being in today's uncertain world is the importance of listening. It's more important than decision making, more important than taking action. Listening is critical to moving an organization to action.

SUMMARY AND CONCLUSIONS

Companies are changing their attitudes and beliefs towards the importance of basic leadership skills. Companies are wholeheartedly embracing the need for training so that all employees can take charge and make decisions under pressure. The corporate training and development landscape is rife with opportunities and trends that are defining the way we do business.

After speaking with twenty-five companies concentrated in the Southeast region, we found that the majority of these companies are still spending money on training despite fluctuations in the U.S. economy. In fact, companies often view training as a strategic investment that must stay intact even in downturns to maintain a competitive edge.

Our research shows that companies value training and therefore place a premium on the service. Companies often lack the capability, time and resources to develop all

types of training programs in-house, especially when resources are tight due to economic conditions. Even the largest companies in the economy who are able to deploy in-house training solutions to meet most of their needs often consult with outside providers for some portions of their training needs.

The critical issues facing companies today – regardless of size or industry – involve creating effective leaders at all levels and managing their talent pool to continue to propel the company forward. Our research shows that a key element to driving these initiatives forward is to provide leadership and communication skills training at all levels.

What's key in today's company is a constant and regular communication of the company mission and purpose; the communication of how the employee's role impacts that big picture; the clear communication of expectations and goals; and the constant communication of how the employee is measured and is stacking up against the expected performance.

All of this is leading to an increased awareness of the role of interpersonal skills in the success of a company. Companies are now seeing the costs of bad management and the cost implications of poor communication skills on the bottom-line.

Leadership today is about articulating a vision that inspires purpose and meaning to all in the organization. The ability to communicate effectively is widely seen as the number one job of all company leaders. Good leadership is no longer seen as a luxury or a competitive advantage – it's the minimum criteria of success.